

# EXHIBIT H

Gorospe, James Kevin

March 19, 2008

Sacramento, CA

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UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MASSACHUSETTS

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IN RE: PHARMACEUTICAL ) MDL NO. 1456  
INDUSTRY AVERAGE WHOLESALE ) CIVIL ACTION:  
PRICE LITIGATION ) 01-CV-12257-PBS

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THIS DOCUMENT RELATES TO: ) Judge Patti B. Saris  
U.S. ex rel. Ven-A-Care of )  
the Florida Keys, Inc. v. ) Magistrate Judge  
Abbott Laboratories, Inc., ) Marianne B. Bowler  
et al. )  
Case No. 06-CV-11337-PBS )

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WEDNESDAY, MARCH 19, 2008

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VIDEOTAPED DEPOSITION OF

JAMES KEVIN GOROSPE

Reported By: JOANIE MURAKAMI, CSR No. 5199

Registered Merit Reporter

Certified Realtime Reporter

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<p>1 piece of legislation was introduced in either --  2 at the federal level or state level, the  3 department or our legislative folks would send  4 that to us to ask if we would -- if we perceived  5 any potential impact on the program, whether it  6 be a policy impact or budgetary impact.</p> <p>7 Q. Okay. Did that analysis that you did,  8 did that include reimbursement issues?</p> <p>9 A. I don't recall.</p> <p>10 Q. Okay. If there was pronouncements or  11 reports issued by the federal government relating  12 to reimbursement issues that might apply to the  13 Medi-Cal program, is that something that you  14 would have followed?</p> <p>15 A. Yes.</p> <p>16 Q. It says here that you negotiated  17 supplemental drug rebate contracts with  18 manufacturers as well. Tell me about that duty.</p> <p>19 A. The Medi-Cal program has a process to  20 review drug products for addition to its Medi-Cal  21 list of contract drugs. Part of that process is  22 to assess the cost, the net cost to the Medi-Cal</p>	<p>1 A. Correct.  2 Q. And these rebate contracts are between  3 State of California and the manufacturers,  4 correct?</p> <p>5 A. Correct.  6 Q. Are they drug specific or are there  7 multiple drugs built into a single contract?</p> <p>8 A. It can be both.</p> <p>9 Q. So there's instances where you've got a  10 supplemental rebate contract with a manufacturer  11 that has multiple -- provides further rebate on  12 multiple drugs and then you've got some -- you've  13 had some rebated contracts, supplemental rebate  14 contracts that are limited to a single drug?</p> <p>15 A. That is correct.</p> <p>16 Q. And is the formula used to calculate  17 the supplemental drug rebate the same in all of  18 these rebate contracts?</p> <p>19 A. No.</p> <p>20 Q. Okay. How does it differ?</p> <p>21 A. The formula differs depending on the  22 type of contract.</p>
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<p>1 program of particular drugs.</p> <p>2 One way to -- we use to lower the net  3 cost to the program is to sign contracts with  4 manufacturers for rebates.</p> <p>5 Q. And are those supplemental rebate  6 contracts limited to a particular type of drug?  7 In other words -- let me start over.</p> <p>8 Does the state have supplemental drug  9 rebate contracts for branded drugs?</p> <p>10 A. Yes.</p> <p>11 Q. Does it have supplemental drug rebate  12 contracts for generic drugs?</p> <p>13 A. No.</p> <p>14 Q. Why not?</p> <p>15 A. The state attempted to do supplemental  16 rebate contracting with generic companies and was  17 unsuccessful.</p> <p>18 Q. What was the formula or what has been  19 the formula used to calculate the supplemental  20 drug rebates -- let me back up a little bit.</p> <p>21 These are rebates that manufacturers  22 pay to the State of California, correct?</p>	<p>1 In general, we have two types of  2 contract. We have contracts based on average  3 manufacturer's price and we have contracts that  4 are based on the net cost.</p> <p>5 Q. For those based on average  6 manufacturer's price, I take it that the rebate,  7 the supplemental rebate amount is some percentage  8 of AMP?</p> <p>9 A. That is correct.</p> <p>10 Q. And is it, for those type of contracts,  11 is the percentage of AMP the same in all  12 contracts?</p> <p>13 A. No.</p> <p>14 Q. Okay. So the percentage varies?</p> <p>15 A. Correct.</p> <p>16 Q. And do you know the range of the  17 percentage of AMP that has been in these  18 supplemental rebate contracts?</p> <p>19 A. The range has been from one percent to  20 in excess of a hundred percent.</p> <p>21 Q. And when did the state begin entering  22 into these AMP based supplemental rebate</p>

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